# GOVERNMENT OF INDIA
# FINANCE
# LOK SABHA

UNSTARRED QUESTION NO:2267
ANSWERED ON:14.03.2008
MICRO FINANCE INSTITUTIONS
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**Will the Minister of FINANCE be pleased to state:**

(a) the number of Self Help Group benefited through the Micro Finance Institutions during the last three years in each State/UT;

(b) the number of families benefited alongwith the percentage of BPL families as on date in each State/UT;

(c) whether the poor sections of the society are being exploited by Micro Finance Institutions;

(d) if so, the details thereof alongwith reasons therefor;

(e) the steps taken/being taken by the Government to stop the exploitation of above borrowers; and

(f) the present status of statutory framework for regulations of Micro Finance Institutions?

## Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) to (d): The Self Help Group (SHG) Bank Linkage Programme, facilitated by NABARD since 1992, is the flagship microfinance programme in the country. As on 31st January 2008, 30,83,811 SHGs (provisional figures) have been provided Rs.20,342.21 crore by the Banking System.

Micro Finance Institutions (MFIs) are presently not regulated. As such the Data Reporting System does not generate such data.

(e) & (f): The Government has introduced a bill in Lok Sabha on 20.03.2007 called "The Micro Financial Sector (Development and Regulation) Bill, 2007" to create environment friendly policy for micro-finance services in the country. The bill is intended to provide a formal statutory framework for the promotion, development and regulation of the micro finance sector and is before the Parliamentary Standing Committee on Finance.